

REQUEST TO DEVIATE UNDER G.S. 143-23

DEPARTMENT: **Community Colleges**

BUDGET CODE: **16800**

PROGRAM (FUND) TITLE: **Administration (CIS)**

FUND CODE: **1200**

REQUEST: **To over-expend General Fund budget purpose 1200 by transferring from budget purpose 1600**

	2003-04 Certified Budget	Previously Approved Increases	Current Request for Increase	Accumulative Budget Increase	Accumulative % of Increase
Total Budget	\$ 19,174,186	\$ -	\$ 8,272,370	\$ 8,272,370	43.14%
Receipts	\$ 89,119	\$ -	\$ -	\$ -	0.00%
Appropriation	\$ 19,085,067	\$ -	\$ 8,272,370	\$ 8,272,370	43.34%

JUSTIFICATION FOR REQUEST:

The Department of Community Colleges has submitted a request to overexpend its purpose code 1200 (Administration), to cover costs incurred for its College Information System (CIS) project. These costs are the result of two factors. First, software development and other vendor service encumbrances were carried forward from the previous fiscal year in the amount of \$4,822,370. The amount of carry forward allowed by OSBM was not sufficient to cover this and all other departmental requests. DCC was given flexibility to distribute this carry forward as it deemed most appropriate and needed. The second factor is that shortly after the beginning of the fiscal year, the State Board signed a contract amendment to correct the Accounts Receivable/Cash Reporting module of the software in order for the system to comply with state cash accounting requirements. The total of this contract amendment is \$3.9 million, of which \$3.45 million will be payable in fiscal year 03-04. The transfer of \$8,272,370 will come from purpose 1600 (State Aid), which constitutes an overexpenditure in fund 1200 in excess of the 7.5% allowed in G.S. 143-23(a1)(3)(b).

STATUTORY REFERENCE FOR REQUEST (If applicable):

G.S. 143-23(a1)(3)(b)